

The Condition of Education 2010

Indicator 38

Education Expenditures by Country

The indicator and corresponding tables are taken directly from *The Condition of Education 2010*. Therefore, the page numbers may not be sequential.

Additional information about the survey data and supplementary notes can be found in the full report. For a copy of *The Condition of Education 2010*, visit the NCES website (<http://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2010028>) or contact ED Pubs at 1-877-4ED-PUBS.

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Education Expenditures by Country

At the combined elementary and secondary level in 2006, the United States spent \$10,267 per student, which was 41 percent higher than the OECD average of \$7,283. At the postsecondary level, U.S. expenditures per student were \$25,109, more than twice as high as the OECD average of \$12,336.

Two measures used when comparing countries' investments in education are *expenditures per student from both public and private sources* and *total education expenditures as a percentage of gross domestic product (GDP)*. The latter measure allows a comparison of countries' expenditures relative to their ability to finance education. Private sources of expenditures include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as private funds raised by institutions.

In 2006, expenditures per student for the United States were \$10,267 at the combined elementary and secondary level, which was 41 percent higher than the average of \$7,283 for the member countries of the Organization for Economic Cooperation and Development (OECD) reporting data (see table A-38-1). This measure is based on full-time-equivalent (FTE) student enrollment rather than headcount. At the postsecondary level, U.S. expenditures per student were \$25,109, which was more than twice as high as the OECD average of \$12,336. Expenditures per student varied widely across the OECD countries, ranging from \$1,286 in Turkey to \$15,440 in Luxembourg at the combined elementary and secondary level, and from \$4,648 in Turkey to \$22,810 in Canada and \$25,109 in the United States at the postsecondary level.

Among the OECD countries reporting data in 2006, the countries that spent the highest percentage of their GDP on total education expenditures were Iceland (8.0 percent), the United States (7.4 percent), Denmark (7.3 percent), and Korea (7.3 percent). Looking at education expenditures by level, the United States spent 4.0 percent of its GDP on elementary and secondary education, which was higher than the average spending at that level for all OECD countries reporting data (3.7 percent).

Compared with the percentage of GDP that the United States spent on elementary and secondary education, 8 countries spent a higher percentage, 19 countries spent a lower percentage, and 1 country spent the same percentage. Iceland spent the highest percentage (5.3 percent) of its GDP on elementary and secondary education. At the postsecondary level, the United States spent 2.9 percent of its GDP on education; this percentage was higher than the OECD average of 1.4 percent of GDP and higher than the percentage of GDP spent by any other OECD country reporting data.

A country's wealth (defined as GDP per capita) is positively associated with expenditures per student on education at the combined elementary/secondary level as well as the postsecondary level. For example, each of the 10 OECD countries with the highest GDP per capita spent more per student at both the elementary and secondary and postsecondary levels than the OECD average, with two exceptions: neither Iceland nor Ireland spent more than the OECD average at the postsecondary level. Of the 10 OECD countries with the lowest GDP per capita, each reported expenditures per student at both the elementary and secondary and postsecondary levels that were below the OECD average, except for Italy at the elementary/secondary level.



For more information: *Table A-38-1*

Glossary: *Elementary/secondary school, Expenditures per student, Full-time-equivalent (FTE) enrollment, Gross Domestic Product (GDP), Gross National Product (GNP), Organization for Economic Cooperation and Development (OECD), Postsecondary education, Purchasing Power Parity (PPP) indices*

Technical Notes

Education expenditures are from public revenue sources (governments) and private revenue sources. Private sources include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as funds raised by institutions through endowments or returns on investments. Per student expenditures are based on public and private full-time-equivalent (FTE) enrollment figures and on current expenditures and capital outlays from both public and private sources, where data are available. Purchasing power parity (PPP) indices are used to convert other

currencies to U.S. dollars (i.e., absolute terms). Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries. Luxembourg data are excluded from the graphs because of anomalies with respect to their GDP per capita data (large revenues from international finance institutions distort the wealth of the population). The OECD average for GDP per capita for each graph is based on the number of countries with data available (28 for figures 38-1 and 38-2).

Figure 38-1. Annual expenditures per student for elementary and secondary education in selected OECD countries, by GDP per capita: 2006

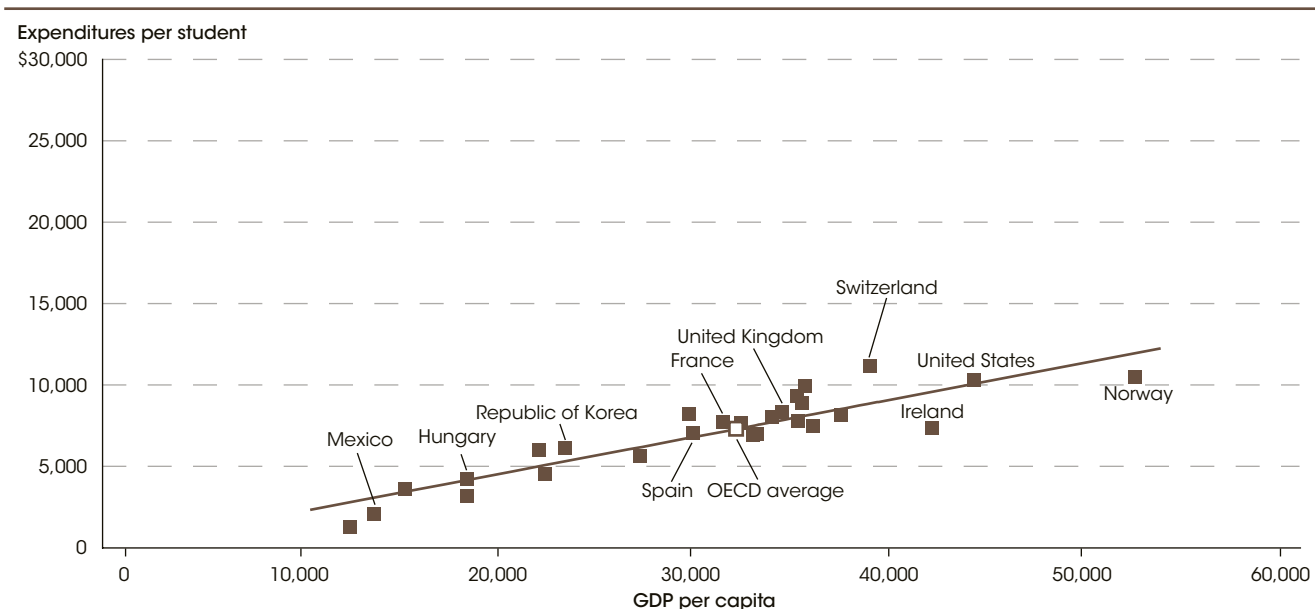
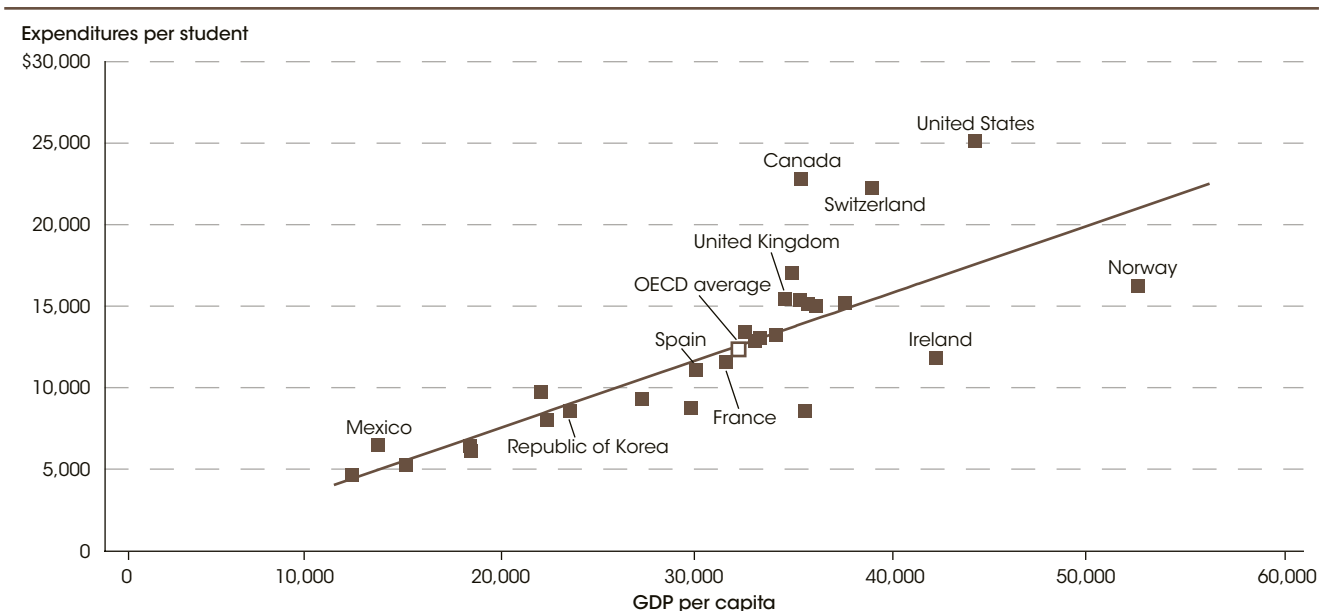


Figure 38-2. Annual expenditures per student for postsecondary education in selected OECD countries, by GDP per capita: 2006



Education Expenditures by Country

Table A-38-1. Annual expenditures per student on public and private institutions, and expenditures as a percentage of gross domestic product (GDP) in OECD countries, by level of education: 2006

Country	Expenditures per student ¹		Expenditures as a percentage of GDP			GDP per capita
	Elementary and secondary ²	Post-secondary ³	Total ⁴	Elementary and Secondary ²	Post-secondary ³	
OECD average	\$7,283	\$12,336	5.7	3.7	1.4	\$31,703
Australia	7,459	15,016	5.7	4.0	1.6	35,666
Austria	9,910	15,148	5.5	3.7	1.3	35,259
Belgium	7,980	13,244	6.1	4.1	1.3	33,608
Canada ⁵	7,774	22,810	6.5	3.7	2.7	34,888
Czech Republic	4,532	7,989	4.8	3.0	1.2	21,966
Denmark	9,270	15,391	7.3	4.4	1.7	34,871
Finland	6,891	12,845	5.8	3.8	1.7	32,586
France	7,712	11,568	5.9	3.9	1.3	31,055
Germany	6,985	13,016	4.8	3.1	1.1	32,835
Greece	—	—	—	—	—	26,701
Hungary ⁶	4,188	6,367	5.6	3.4	1.1	18,030
Iceland	8,877	8,579	8.0	5.3	1.1	35,096
Ireland	7,318	11,832	4.7	3.5	1.2	41,803
Italy ⁷	8,204	8,725	4.9	3.5	0.9	29,356
Japan	7,661	13,418	5.0	2.8	1.5	32,040
Korea, Republic of	6,089	8,564	7.3	4.3	2.5	23,083
Luxembourg ⁸	15,440	—	—	—	—	75,754
Mexico	2,072	6,462	5.7	3.8	1.1	13,332
Netherlands	8,109	15,196	5.6	3.7	1.5	37,130
New Zealand	5,589	9,288	6.3	4.3	1.5	26,808
Norway ⁹	10,448	16,235	5.4	3.7	1.2	52,118
Poland ⁶	3,568	5,224	5.7	3.7	1.3	14,842
Portugal ⁶	5,967	9,724	5.6	3.6	1.4	21,656
Slovak Republic ¹⁰	3,032	6,056	4.3	2.7	1.0	18,020
Spain	7,016	11,087	4.7	2.9	1.1	29,520
Sweden	8,123	16,991	6.3	4.1	1.6	34,456
Switzerland ¹¹	11,129	22,230	5.9	4.2	1.4	38,568
Turkey ^{6,9}	1,286	4,648	2.7	1.9	0.8	12,074
United Kingdom	8,306	15,447	5.9	4.3	1.3	34,137
United States	10,267	25,109	7.4	4.0	2.9	43,839

— Not available.

¹ Per student expenditures are calculated based on public and private full-time-equivalent (FTE) enrollment figures and on current expenditures and capital outlays from both public and private sources, where data are available.² Includes expenditures for elementary/secondary and postsecondary nontertiary (International Standard Classification of Education [ISCED] level 4) education. Postsecondary nontertiary expenditures are included under postsecondary for Canada and are not available for France, Greece, Italy, Luxembourg, Portugal, and the United States.³ Includes all tertiary-level data (ISCED levels 5A, 5B, and 6). Also includes all postsecondary nontertiary expenditures for Canada and some postsecondary nontertiary expenditures for Denmark and Japan.⁴ Includes expenditures for preprimary, elementary/secondary, postsecondary nontertiary, postsecondary, and education not classified by level.⁵ Data are for 2005. Postsecondary includes public academic institutions only.⁶ Expenditures per student include public institutions only.⁷ Elementary and secondary expenditures include public institutions only.⁸ Luxembourg data are excluded from percentages because of anomalies with respect to their GDP per capita data. (Large revenues from international finance institutions distort the wealth of the population.) Expenditures include public institutions only.⁹ Expenditures as a percentage of GDP include public institutions only.¹⁰ Expenditures on tertiary vocational programs (ISCED 5B) included under elementary and secondary.¹¹ Expenditures per student and postsecondary expenditures as a percentage of GDP includes public institutions only.

NOTE: Education expenditures are from public revenue sources (governments) and private revenue sources. Private sources include payments from households for school-based expenses such as tuition, transportation fees, book rentals, or food services, as well as funds raised by institutions through endowments or returns on investments. Purchasing power parity (PPP) indices are used to convert other currencies to U.S. dollars. Within-country consumer price indices are used to adjust the PPP indices to account for inflation because the fiscal year has a different starting date in different countries.

SOURCE: Organization for Economic Cooperation and Development (OECD), Center for Educational Research and Innovation. (2009). *Education at a Glance, 2009: OECD Indicators*, tables B1.1a, B1.2, B2.1, and X2.1.